

Department of Social and Health Services

**DP Code/Title: M2-9F Federal Funding Adjustment**  
**Program Level - 080 Medical Assistance**

Budget Period: 2003-05 Version: H2 080 2003-05 2004 Sup-Agency Req

**Recommendation Summary Text:**

This step requests additional federal funding authority than previously assumed in the original 2003-05 Biennium Budget. Statewide result number 5.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-C General Fund - Basic Account-DSHS Medicaid Federa	18,580,000	18,510,000	37,090,000
<b>Total Cost</b>	<b>18,580,000</b>	<b>18,510,000</b>	<b>37,090,000</b>

**Staffing**

**Package Description:**

The Medical Assistance Administration (MAA) does not have sufficient federal spending authority to cover anticipated expenditures for the 2003-05 Biennium. The current allotment in Fiscal Year 2004 and Fiscal Year 2005 is \$45,420,227 and \$45,490,000, respectively for payments to health districts, schools districts, Indian nations and various interagency/interlocal contracts. These activities are fully funded with Title XIX dollars and are outside of the MAA forecast process. Based on the 2001-03 Biennium spending pattern, the anticipated passthrough reimbursements are estimated at about \$63,000,000 per fiscal year. The requested amount represents the difference between the current allotment and the anticipated reimbursement level.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This proposal supports the department's strategic plan to maintain a safety net for people in need by delivering cash, food, medical benefits, childcare, and other services to eligible people quickly and accurately.

***Performance Measure Detail***

**Goal: 01Z DSHS Accounts for Its Use of Public Dollars**

No measures submitted for package

**Incremental Changes**

**FY 1**

**FY 2**

***Reason for change:***

To align budgeted federal funding sources with projected federal earnings.

***Impact on clients and services:***

None

***Impact on other state programs:***

None

***Relationship to capital budget:***

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Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

The alternative is to leave the federal earning assumptions as assumed in the 2003-05 budget. This proposal was chosen so that federal earnings are in line with budget assumptions and to eliminate the need to submit unanticipated receipts every fiscal year.

***Budget impacts in future biennia:***

Corrections may need to be made in future biennia based on actual federal earnings for individual federal funding sources.

***Distinction between one-time and ongoing costs:***

The award letters for each project specify the time period. When the funding ends, the projects will end.

***Effects of non-funding:***

This federal funding request reflects anticipated earnings.

***Expenditure Calculations and Assumptions:***

<b><u>Object Detail</u></b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
N    Grants, Benefits & Client Services	18,580,000	18,510,000	37,090,000

**DSHS Source Code Detail**

<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
19UL	Title XIX Admin (50%)	18,580,000	18,510,000	37,090,000
<b>Total for Fund 001-C</b>		<b>18,580,000</b>	<b>18,510,000</b>	<b>37,090,000</b>
<b>Total Overall Funding</b>		<b>18,580,000</b>	<b>18,510,000</b>	<b>37,090,000</b>